

SECURITY INFORMATION

HEALTH INSURANCE AND MEDICAL BENEFITS

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about 1 Feb 52

1. This Working Group has addressed itself to the subject of Health Insurance and Medical Benefits with the intent of recommending benefits primarily for members of the "Career Development Program." This is based on the belief that the Agency must provide specific advantages to members of this program over and above those inherent in a well-managed Personnel Program, and available to the balance of CIA employees.

2. The Working Group considered complete medical care and hospitalization for CIA career employees and their dependents similar to the medical care given members of the Armed Services. As no precedent exists for providing such care to civilians, and as legislation would be required for its adoption by the Agency it was deemed impractical of further consideration at this time. However, the Working Group recommends that after the career program has been in operation long enough to have proven sound, the Agency examine the desirability and practicality of providing full medical care and hospitalization for CIA career employees and their dependents.

3. The Federal Employees Compensation Act provides for permanent disability benefits for CIA employees where the disability results from the performance of official duties. Also, disability retirement for cases not coming under the Compensation Act is provided for under the Civil Service Retirement Act. The amount of the annuity is based on the employee's salary and length of service. New legislation would be required to extend the coverage of the Compensation Act to disabilities not resulting from the performance of official duties. Therefore, this

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additional coverage is not recommended for consideration at this time, but should be reexamined after the career program has been in operation.

4. The Working Group feels that it is desirable to continue health insurance along the lines of Government Employees Health Association, or Group Hospitalization Insurance, for all CIA employees. However, it believes that more liberal benefits at substantially the same premiums should be provided for members of the "Career Development Program".

This would be a concrete benefit for the members and should be actuarially justified as they would constitute a stable group of picked individuals.

This is attainable without legislation and could be put in operation immediately by the Agency itself by providing sufficient unvouchered funds to capitalize GEHA. These funds could be repaid to the Agency as premiums accumulated. It is recommended that this be adopted.

5. It is further recommended that the Medical Office provide a complete annual physical examination for each member of the Career Development Program. Where possible provision should be made for local examination of members who are away from Washington for extended periods. Where this is not possible, these members should be examined as soon as they return to an area where examining facilities exist. This is attainable without legislation.

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